

AMENDED IN ASSEMBLY APRIL 30, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1534

Introduced by Committee on Revenue and Taxation (Assembly Members Ting (Chair), Brough (Vice Chair), Dababneh, Gipson, Roger Hernández, Mullin, Quirk, and Wagner)

March 25, 2015

An act to amend and renumber Section 674 of, and to add Article 8.5 (commencing with Section 674) to Chapter 3 of Part 2 of Division 1 of, the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1534, as amended, Committee on Revenue and Taxation. Assessment analyst: certification.

Existing law provides for the annual assessment and collection of property taxes by each county, and provides for the state administration of the property tax by the State Board of Equalization.

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, “full cash value” is defined as the assessor’s valuation of real property as shown on the 1975–76 tax bill under “full cash value” or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred.

Existing property tax law requires a transferee of real property or a manufactured home that is locally assessed to file a change in ownership statement with the assessor of the county in which the property or manufactured home is located, and also requires a corporation, partnership, limited liability company, or other legal entity to file a change in ownership statement with the board.

Existing property tax law also includes various property tax exemptions as authorized or established by the California Constitution.

This bill would prohibit ~~a person an assessor or any person employed by the office of the county assessor~~ from making decisions with regard to change in ownership, or with regard to property tax exemptions, except a homeowners' exemption ~~claim, as an employee of the state, or of a requiring county or city and county, claim,~~ unless he or she is the holder of a valid assessment analyst certificate issued by the board. The bill would require the board to provide for the examination of applicants for a certificate and would authorize the board to contract with the Department of Human Resources to give the examinations. ~~The bill would provide for an advanced certificate, pursuant to a course of study prescribed by, and on examination prepared by, the board.~~ The bill would require prescribed annual training for certification, ~~including and would also provide for~~ advanced certification. Failure to complete training as required would be grounds for revocation. The bill would also authorize the board to issue temporary certificates and interim certificates under prescribed circumstances. This bill would specify that its provisions are not to be construed to impede assessors from managing their staff resources efficiently regarding exemption applications and change in ownership documents, provided that noncertificated staff are not responsible for making exemption or change in ownership decisions. This bill would provide that its provisions only apply in those counties and cities and counties that have passed a resolution upon the recommendation of the assessor to require certification as described above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) County assessors are required to follow complex state laws
- 4 in the performance of their duties.
- 5 (b) The application of those laws is intended to provide
- 6 consistent and accurate assessment practices across the state.
- 7 (c) It is the intent of the Legislature that the interests of taxpayers
- 8 be protected by ensuring that decisions regarding eligibility of a
- 9 property for exemption, other than homeowners' exemptions, or

1 whether a transaction is a change in ownership or qualifies for an
2 exclusion from a change in ownership, or both, be made by staff
3 who is certified to make those decisions.

4 (d) It is further the intent of the Legislature that implementation
5 of education and certification requirements required by Section 3
6 of this act be undertaken in the most efficient and economical
7 manner, utilizing existing resources of California county assessors
8 with the advice and counsel of the State Board of Equalization.

9 SEC. 2. Section 674 of the Revenue and Taxation Code is
10 amended and renumbered to read:

11 681. (a) All contracts for the performance of appraisal work
12 for assessors by any person who is not an employee of the state,
13 any county, or any city shall be entered into only after at least two
14 competitive bids and shall be entered into either on a fixed fee
15 basis or on the basis of an hourly rate with a maximum dollar
16 amount.

17 (b) In addition to any provision in the Real Estate Appraisers'
18 Licensing and Certification Law (Part 3 (commencing with Section
19 11300) of Division 4 of the Business and Professions Code), a
20 contractor shall maintain the confidentiality of assessee information
21 and records as provided in Sections 408, 451, and 481 that is
22 obtained in performance of the contract.

23 (1) A request for information and records from an assessee shall
24 be made by the assessor. The assessor may authorize a contractor
25 to request additional information or records, if needed. However,
26 a contractor shall not request that information or records without
27 the written authorization of the assessor.

28 (2) A contractor shall not provide appraisal data in his or her
29 possession to the assessor or a contractor of another county who
30 is not a party to the contract. An assessor may provide that data to
31 the assessor of another county as provided in subdivision (b) of
32 Section 408.

33 (c) A contractor may not retain information contained in, or
34 derived from, an assessee's confidential information and records
35 after the conclusion, termination, or nonrenewal of the contract.
36 Within 90 days of the conclusion, termination, or nonrenewal of
37 the contract, the contractor shall:

38 (1) Purge and return to the assessor any assessee records,
39 whether originals, copies, or electronically stored, provided by the
40 assessor or otherwise obtained from the assessee.

(2) Provide a written declaration to the assessor that the contractor has complied with this subdivision.

(d) All contracts entered into pursuant to subdivision (a) shall include a provision incorporating the requirements of subdivisions (b) and (c). This provision of the contract shall use language that is prescribed by the State Board of Equalization.

(e) For purposes of this section, a “contractor” means any person who is not an employee of the state, any county, or any city who performs appraisal work pursuant to a contract with an assessor.

SEC. 3. Article 8.5 (commencing with Section 674) is added to Chapter 3 of Part 2 of Division 1 of the Revenue and Taxation Code, to read:

Article 8.5. Assessment Analyst Certificates

674. (a) ~~A person~~ *An assessor or any person employed by the office of the county assessor* shall not make decisions with regard to changes in ownership ~~as an employee of the state, a county, or a city and county,~~ unless he or she is the holder of a valid assessment analyst certificate issued by the board.

(b) ~~A person~~ *An assessor or any person employed by the office of the county assessor* shall not make decisions with regard to property tax exemptions, except for homeowners’ exemption ~~claims, as an employee of the state, a county, or a city and county,~~ *claims*, unless he or she is the holder of a valid assessment analyst certificate issued by the board.

(c) The board shall provide for the examination of applicants for an assessment analyst certificate and may contract with the Department of Human Resources to give the examinations. Examinations shall be prepared by the board with the advice and assistance of a committee of five assessors selected by the California Assessors’ Association for this purpose. ~~No certificate~~ *A certificate shall not be issued to any person assessor or person employed by the office of the county assessor* who has not attained a passing grade in the examination and demonstrated to the board that he or she is competent to make change in ownership or exemption decisions, or both, as that competency is defined in regulations duly adopted by the board. However, any applicant for a certificate who is denied a certificate pursuant to this section shall have a right to a review of that denial in accordance with the

1 Administrative Procedure Act (Chapter 5 (commencing with
2 Section 11500) of Part 1 of Division 3 of Title 2 of the Government
3 Code).

4 (d) This section does not apply to ~~a person~~ *an assessor or any*
5 *person employed by the office of the county assessor* holding a
6 valid appraiser's or advanced appraiser's certificate issued by the
7 board.

8 (e) The board shall not impose any charge upon a county or city
9 and county or an applicant for an examination or certification under
10 this section or for training conducted by the board under Section
11 675.

12 675. (a) (1) In order to retain a valid certificate, every certified
13 assessment analyst shall complete at least 24 hours of training
14 conducted or approved by the board in each one-year period.

15 (2) Any training time in excess of the 24-hour minimum that is
16 accumulated in any one year shall be carried over as credit for
17 future training requirements, with a limit of three years in which
18 the carryover time may be credited.

19 (3) Failure to complete training in accordance with this
20 subdivision shall constitute grounds for revocation of a certificate.
21 A proceeding to revoke shall be conducted in accordance with the
22 Administrative Procedure Act (Chapter 5 (commencing with
23 Section 11500) of Part 1 of Division 3 of Title 2 of the Government
24 Code).

25 (4) Training shall include, but not be limited to, new
26 developments in applicable case law, statutory law, and
27 administrative rules.

28 (b) (1) The board shall issue an advanced assessment analyst
29 certificate for an applicant that has held a certificate issued in
30 accordance with Section 674 for at least three years and has done
31 at least one of the following:

32 (A) Has successfully completed an advanced course of study
33 prescribed pursuant to paragraph (2).

34 (B) Has passed an advanced level examination prepared pursuant
35 to paragraph (2).

36 (2) The board, with the advice and assistance of five assessors
37 selected by the California Assessors' Association, shall prescribe
38 an advanced course of study and prepare the advanced level
39 examination.

1 (3) In order to retain a valid advanced assessment analyst
2 certificate, every holder shall complete at least 12 hours of training
3 in each one-year period.

4 (4) Any training time for the advanced assessment analyst
5 certificate that is in excess of the 12-hour minimum accumulated
6 in any one year shall be carried over as a credit for future training
7 requirements, with a limit of two years in which the carryover time
8 may be credited.

9 (5) Failure to complete training in accordance with this
10 subdivision shall constitute grounds for revocation of an advanced
11 assessment analyst certificate. A proceeding to revoke shall be
12 conducted in accordance with the Administrative Procedure Act
13 (Chapter 5 (commencing with Section 11500) of Part 1 of Division
14 3 of Title 2 of the Government Code).

15 (6) Training to retain the advanced assessment analyst certificate
16 shall include, but not be limited to, new developments in applicable
17 case law, statutory law, and administrative rules.

18 676. (a) At the time of certification, each applicant shall
19 disclose, on forms provided by the board, his or her financial
20 interest in any legal entity. Thereafter, the form shall be completed
21 annually.

22 (b) If the applicant is also required to annually file with the Fair
23 Political Practices Commission pursuant to Article 3 (commencing
24 with Section 87300) of Chapter 7 of Title 9 of the Government
25 Code, a duplicate of that filing shall meet the requirements of this
26 section.

27 677. The board may issue a temporary certificate to ~~a person~~
28 ~~who is newly employed by the state, a county, or a city and county~~
29 *an assessor who is newly elected or appointed or to any person*
30 *newly employed by the office of the county assessor* in order to
31 afford the person the opportunity to apply for and take an
32 examination, the successful passage of which would qualify the
33 person for a certificate pursuant to this article. The board shall not
34 issue a temporary certificate for a duration that exceeds one year,
35 unless the person has been duly elected or appointed to the office
36 of assessor. The board shall not renew a temporary certificate.

37 678. The board may issue an interim certificate to ~~a person~~
38 ~~who is currently employed by the state, a county, or a city and~~
39 ~~county,~~ *a current assessor or to any person who is currently*
40 *employed by the office of the county assessor, and who is making*

1 change in ownership or exemption decisions in order to afford that
2 person the opportunity to apply for and take an examination, the
3 successful passage of which would qualify the person for a
4 certificate pursuant to this article. The board shall not issue an
5 interim certificate for a duration that exceeds four years, unless
6 the person has been duly elected or appointed to the office of
7 assessor. The board shall not renew an interim certificate.

8 679. This article shall not be construed to impede an assessor
9 from managing his or her staff resources efficiently, and in a
10 manner that allows noncertificated staff to prepare and work with
11 exemption applications and change in ownership documents,
12 provided that the noncertificated staff are not responsible for
13 making exemption or change in ownership decisions.

14 680. This article shall only apply in counties or cities and
15 counties that have passed a resolution upon the recommendation
16 of the assessor to require certification as provided by this article.